

Princeville *Development* living up to its name

By Nina Berglund
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Princeville Development Corp., which hatched last fall as an independent company following its spin-off from Consolidated Oil & Gas Inc., is spreading its wings through several new real estate ventures ranging from retail expansion to condominium timeshares.

"Kauai is a tough place to develop land, but we are bullish," Princeville executive vice president Michael J. Hannon said yesterday during a company presentation to the local securities industry. "We have very little debt, we have good cash flow and we are profitable."

Hannon said the company, which owns about 11,000 acres in Hanalei on Kauai's North Shore, expects to generate revenues of \$10 million to \$12

million during the fiscal year ending Nov. 30.

About \$4 million to \$5 million of the company's revenues will come from real estate sales, Hannon said, with \$6 million to \$7 million coming from other operations such as resort activities and Princeville Airways.

Next week the company will open the 300-room Sheraton Princeville, a luxury hotel in the \$125- to \$175-a-night category. Hannon said advance bookings indicate the hotel will have 95 percent occupancy rates this winter and will be full during March when the Women's Kemper Open will be played at Princeville.

Meanwhile, the firm is considering expanding its 68,000-square-foot shopping center — which boasts a 98 percent occupancy rate — and is "taking a stab" at resort timesharing,

Hannon said.

A 40-unit condominium project built in 1978 will be sold as timeshare units beginning next month. Hannon said the project previously was used for vacation rentals.

Princeville Development, which Hannon said now is owned by "690 shareholders from London to Hong Kong," also is moving forward with its plans to develop a "quite ambitious" 1,200-acre Phase II, which will include 348 single- and multi-family housing units and another 18-hole golf course.

The company is self-financing much of the project but also will likely seek out a joint venture partner to complete it.